

10 December 1958

MEMORANDUM FOR: Chief, Benefits and Casualty Division/OP

SUBJECT : Estimated Cost of Printing Revised GEHA Booklets

STATINTL

1. In accordance with the discussion in the meeting with [ ] yesterday, I obtained the following estimated costs of reprinting our GEHA booklets. These figures are based on approximately 50 pages of material.

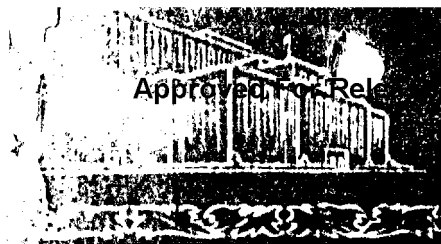
	<u>No.</u>	<u>Cost</u>
(a) Loose-leaf - hard cover - fastened with a removable fastener	2,000	\$ 750
	5,000	1,600
(b) Stapled - permanent booklet - present form	2,000	\$ 575
	5,000	1,250

2. I was only interested in the loose-leaf figures contained in (a) above. However, since they gave me the others, I thought I would pass them on to you. It would seem that these figures in (a) are quite reasonable and help us to get approval to have them printed in loose-leaf form.

2564  
[ ] STATINTL

APPROXIMATE COST OF  
SUPPLEMENTS (INSERTS) 25<sup>00</sup> A PAGE

[ ] — 5/27/59 STATINTL



Approved For Release

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OF OMAHA

OMAHA, NEBRASKA

H. W. LONGWORTH PRESIDENT

December 8, 1958

STATINTL

[Redacted]  
Vice President  
Government Employees Health Assn.  
P.O. Box 463  
Washington 4, D.C.

STATINTL

Dear [Redacted]

Al has asked me to write you concerning your November 19, 1958 letter.

You will recall in your discussion with Al, it was brought out that there are some shortcomings in the surgical schedules now being used by the industry. The matter of primary concern has been those areas where the relative values of surgical procedures are no longer realistic in the light of current surgical advancements and practices. Recently, a number of studies have been made with respect to the relative values of surgical procedures. Perhaps the most well-known study was made in California. I am attaching a copy of the California Relative Value Study which may be of interest to you.

The industry has not, as yet, adopted a standard "relative value" type schedule, although there appears very definitely to be a trend in that direction. This Company is in a position to issue this type of schedule at this time upon request, even though we have not established a standard schedule. Undoubtedly, premium rates for this type of a surgical schedule will need to be adjusted upward.

STATINTL

In the case of the \$62.50 reimbursement to [Redacted] this would certainly be one of those areas in need of re-evaluation. Unfortunately, the operation performed is specifically listed in the schedule, and there is no way of adjusting the allowance without making what would be considered a clear deviation from the contract terms.

I am not sure that I have answered your question satisfactorily. My answer to your question concerning a new surgical schedule is predicated on the belief that you were not interested in any immediate revision of the present schedule. If this is not correct, please let us know.

Sincerely,

GDE:GW

United Benefit Life Insurance Company • One of America's Leaders

G. D. Edson

Claim Manager

Group Div

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